

# EXHIBIT A

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October 31, 2018

**Via Federal Express**

Ray C. Schrock, P.C.  
Jacqueline Marcus  
Garrett A. Fail  
Sunny Singh  
WEIL, GOTSHAL & MANGES LLP  
767 Fifth Avenue  
New York, NY 10153

Robert A. Reicker  
Chief Financial Officer  
Sears Holding Corp.  
3333 Beverly Road  
Hoffman Estates, IL 60179

Re: Sears Holding Corporation, et al. (collectively the "Debtors"),  
Case No. 18-23538 (RDD), Demand for Reclamation of  
Goods Pursuant to Bankruptcy Code §546(c) and U.C.C. §2-702  
on behalf of Beauty Gem, Inc.

Mr. Schrock, Ms. Marcus, Mr. Fail, Mr. Singh, and Mr. Reicker:

I am writing on behalf of my firms' client, Beauty Gem, Inc. ("Beauty Gem") with respect to the above referenced, jointly administered Chapter 11 cases, which are currently pending in the United States Bankruptcy Court for the Southern District of New York.

As set forth in the ledger summaries attached as Exhibit A, Beauty Gem, sold certain goods (collectively the "*Prepetition Invoiced Goods*") to several Debtor entities, including without limitation, Sears, Roebuck and Co., KMart Corp., Sears.com and KMart.com. Copies of the underlying invoices and proofs of delivery are attached as Exhibit B.

The Prepetition Invoiced Goods were sold in the ordinary course of business to the Debtors on credit and received by the Debtors while they were insolvent, which insolvency is evidenced, in whole or part, by the Debtors' filing of Petitions for Relief under Chapter 11 of United States Code, 11 U.S.C. §101, et seq. (the "*Bankruptcy Code*") on October 15,

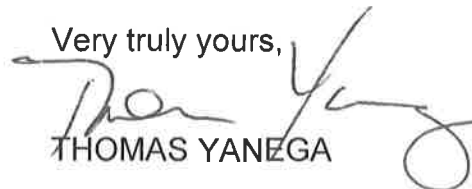
2018 (the "*Petition Date*"). The Debtors received the Prepetition Invoiced Goods, shipped by Beauty Gem, in the 45-day period preceding the Petition Date, to wit: between August 31, 2018 and October 15, 2018 (the "*Reclamation Period*"). The agreed price and reasonable value of the Prepetition Invoiced Goods are as reflected on the outstanding open invoices related to the Prepetition Invoiced Goods is \$602,213.09 as indicated in the ledger summaries attached hereto as Exhibit A.

Demand is hereby made pursuant to 11.U.S.C. §546(c) and U.C.C. §2-702 (and the applicable U.C.C. provisions, for return of the Prepetition Invoiced Goods. Beauty Gem demands the immediate return of the Prepetition Goods. In the interim, Beauty Gem demands that the Debtors immediately segregate the Prepetition Invoiced Goods, provide and immediate accounting with respect to the Prepetition Invoiced Goods and their present locations. Please take notice that these goods are not to be sold, used or otherwise transferred, except with our written consent or by Order of the Bankruptcy Court entered upon prior notice to Beauty Gem and a hearing thereon.

This demand is made without prejudice to Beauty Gem's rights to (a) seek, pursuant to 11.U.S.C. §503(b)(9), an administrative claim with respect to any portion of the Prepetition Invoiced Goods that were received by the Debtors within twenty (20) days before the Petition Date, (b) assert any lien rights with respect to the Prepetition Invoiced Goods, and (c) seek an 11.U.S.C. §503(b)(1) administrative claim with respect to any portion of the Prepetition Invoiced Goods that were received by the Debtors after the Petition Date.

If you have any questions regarding these matters, please do not hesitate to contact the undersigned at (516) 794-2800.

Very truly yours,



THOMAS YANEGA

MJD:dlc  
encs.